

FISCAL NOTE/CAPTION BILL

SB 3394 - HB 3512

March 18, 2004

CAPTION Fiscal note reflects amendment filed to lift bill from Senate Clerk's desk (005061)

SUMMARY OF BILL:

- Changes the authority to enter into contracts to provide TennCare medical assistance from the Department of Health to the Department of Finance and Administration. The commissioner can terminate or suspend existing contracts and recover any payments incorrectly paid. Knowingly providing false information about income and assets in order to receive a lower TennCare premium is a Class E felony.
- Gives the TennCare Program Integrity Unit authority to review employment records for investigations. Requires managed care organizations, contractors, subcontractors and providers to report any suspected cases of abuse. Gives the Program Integrity Unit subpoena power.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$5,000/Incarceration*

This estimate is based upon one Class E felony conviction every year.

**Section 9-6-119, TCA, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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